(a) whether the flow of foreign investment in core/lead sector and infrastructural activity is much below the anticipated target and if so, the reasons therefor;

(b) the strategic policy being worked out to attract more foreign investment in core/lead sectors; and

(c) the specific steps proposed to attract foreign investment and technologies in drugs and chemical sector?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SMT. KRISHNA SAHI): (a) to (c) No, Sir. More than 80 per cent of foreign direct investment approved since the announcement of New Industrial Policy is in high priority industries (i.e. the industries listed in Annexure III of the statement on Industrial Policy of 24th July, 1991)

The statement on Industrial Policy laid on the Table of the House on 24th July, 1991, spells out various policy initiatives taken by the Government for attracting foreign direct investment in core/high priority industries including drugs and chemicals sector.

Effect of foreign capital investment on indigenous industries

3130. SHRI S. AUSTIN: Will the PRIME MINISTER be pleased to state:

(a) whether the indigenous industries have been affected because of foreign capital investment under the new liberal economic policy; and

(b) if so, the steps taken by Government to check this adverse effect on the industries in the country?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRIMATI KRISHNA SAHI): (a) and (b) No, Sir. The foreign investment and technology collaboration are intended to provide easier access to higher technology, expand the industrial production base and increase exports.

Indo-German Cooperation

3131. SHRI ANANTRAY DEVSHANKER DAVE:

SHRIMATI RENUKA CHOWDHURY:

SHRI MOHD. KHALEELUR RAHMAN:

SHRI SUBRAMANIAN SWAMY:

Will the PRIME MINISTER be pleased to state:

(a) what were the mutually beneficial areas of Industrial development, economy, science and technology covered by both sides during P M's visit to Germany;

(b) what is the trade between the two countries at present and envisaged in future with details thereof in quantum of rupees or dollar and its percentage to total trade turn over of India with all the countries.

(c) whether Germany has offered high and upto date technology for various segments of economy; and

(d) if so what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRIMATI KRISHNA SAHI): (a) Extensive discussions were held at various levels during P M's visit on intensification of bilateral relations in the political, economic, scientific, technological and cultural fields and regional and global issues of mutual interest. During the visit, an Indo-German Business Conference was jointly addressed by PM and Chancellor Kohl whether officials and industrialists from both sides looked at ways to further enhance bilateral trade and investment and to ease restrictions. This is likely to give further impetus to German investments in India.

Decision was also taken to set up a joint mechanism to oversee cooperation in Science and Technology. A letter of intent was signed between the Fraunhofer